

DEPARTMENT OF TRANSPORTATION

FINANCIAL SUMMARY

	FY 2002 EXPENDITURE	FY 2003 APPROPRIATION	FY 2004 REQUEST	GOVERNOR RECOMMENDS FY 2004
Highway Administration	\$ 31,680,749	\$ 34,773,576	\$ 32,773,576	\$ 34,706,735
Fringe Benefits	88,691,460	96,760,765	115,345,326	115,525,070
Service Operations	92,390,213	99,748,380	100,058,510	100,102,689
Highway Maintenance	212,212,778	226,209,013	268,331,018	288,378,173
Highway Construction	1,320,693,250	1,364,008,629	1,156,686,918	1,159,357,838
Mississippi River Parkway Commission	30,596	0	0	0
Multimodal Operations and Programs	48,401,071	57,719,099	53,445,748	57,238,255
DEPARTMENTAL TOTAL	\$ 1,794,100,117	\$ 1,879,219,462	\$ 1,726,641,096	\$ 1,755,308,760
General Revenue Fund	16,482,799	10,812,775	10,817,592	14,605,087
Federal Funds	22,584,007	39,687,886	35,557,069	55,388,469
Motorcycle Safety Trust Fund	0	0	0	50,000
Grade Crossing Safety Account	0	0	1,500,000	1,500,000
State Road Fund	1,415,930,235	1,475,236,205	1,277,914,494	1,280,585,414
State Highways and Transportation Department Fund	329,625,095	346,068,798	392,722,398	395,047,463
Railroad Expense Fund	0	0	861,160	861,160
State Transportation Fund	1,583,174	1,619,529	1,644,332	1,644,630
Light Rail Safety Fund	0	0	1	1
State Transportation Assistance Revolving Fund	273,372	740,340	550,000	550,000
Aviation Trust Fund	7,621,435	5,053,929	5,074,050	5,076,536
Full-time equivalent employees	6,788.58	6,543.25	6,664.25	6,674.25

POLICY SUMMARY

The Governor's Fiscal Year 2004 budget recommendations for the Department of Transportation include \$1,755,308,760 for Missouri's transportation system. State, federal, and local funds are combined to provide funding for highway safety, maintenance and construction activities, transit programs, and related administrative functions. The budget supports over 32,000 miles of state highways, urban and rural transit systems, transportation programs for the elderly and handicapped citizens, public airports, ferry operations, passenger rail, and freight rail rehabilitation projects.

A weakened economy and considerable growth in mandatory programs like Medicaid has resulted in the most significant challenge the state has faced since the Depression. The Fiscal Year 2004 budget includes substantial core reductions. However, the budget also recognizes that the state cannot cut its way out of the current fiscal problems without severely reducing essential services provided to Missourians. General revenue budget increases have been limited to mandatory programs. Governor Holden's priorities are protecting the state's investment in education and ensuring that our most vulnerable citizens – children, the elderly, and disabled – are shielded to the greatest extent possible from budget reductions.

Preserving and Enhancing Missouri's Road and Bridge System

Because of its central location, Missouri is a crossroads for national and international traffic. As a result, the condition of the state's road and bridge system greatly impacts the efficient movement of people and goods across North America. Missouri's road and bridge system is the seventh largest in the nation, which provides numerous opportunities for improving the state economy. However, due to its size, a considerable investment is necessary to preserve and enhance the system. In 2000 the Department of Transportation was authorized to issue up to \$2.25 billion in bonds to finance road and bridge projects. Thus far, the department has issued \$653 million in bonds, and plans an additional Fiscal Year 2004 issuance of \$254 million. For Fiscal Year 2004 Governor Holden recommends:

- \$256,000,000 to utilize highway bond proceeds and interest earnings for road and bridge projects. This amount includes \$2,000,000 in potential interest earnings on the bond proceeds.
- \$2,670,920 state highways and transportation department fund reallocated to the Department of Transportation from other state agencies.

DEPARTMENT OF TRANSPORTATION

POLICY SUMMARY (Continued)

Improving Coordination of Highway Safety Activities

In an effort to streamline programs that improve the safety of drivers on Missouri roadways, Governor Holden recommends transferring the Division of Highway Safety from the Department of Public Safety to the Department of Transportation. Current programs in the Division of Highway Safety will complement those already administered by the Department of Transportation. The department spends a considerable amount of time and resources to improve the safety of Missouri roadways, but making roadway improvements is not the only way to enhance motorist safety. Programs sponsored by the Division of Highway Safety are designed to improve traffic safety by educating the driving public on issues such as seatbelt usage, the dangers of driving aggressively, and driving under the influence. Combining these functions within one department will allow for a more coordinated approach to highway safety activities and will result in administrative savings of approximately \$333,500 and nine staff. For Fiscal Year 2004 Governor Holden recommends:

- \$19,454,000 for highway safety grants transferred from the Department of Public Safety-Division of Highway Safety.
- \$590,707 and ten staff transferred from the Department of Public Safety-Division of Highway Safety.

Maintaining Amtrak Rail Passenger Service

Amtrak rail passenger service provides a transportation alternative to driving for approximately 190,000 passengers annually. This service is available to all Missourians, but is of particular importance to individuals who are unable to drive due to physical limitations or because they do not own a vehicle. For Fiscal Year 2004 Governor Holden recommends:

- \$3.9 million to maintain daily, round-trip, rail passenger service between St. Louis and Kansas City.

Some performance measures the Department of Transportation uses to evaluate its goal of preserving and improving Missouri's transportation system to enhance safety and encourage prosperity follow.

	1999	2000	2001
Rate of vehicle accidents per 100 million miles traveled (state system only)	193.03	185.45	193.63
Rate of injury accidents per 100 million vehicle miles (state system only)	56.03	53.98	54.63
Rate of fatal accidents per 100 million vehicle miles (state system only)	1.57	1.55	1.52
Vehicle miles traveled annually (state system only)	46.9 billion	47.0 billion	47.5 billion
Percent of bridges that meet condition standards	85.8%	85.7%	85.8%

	2000	2001	2002
Amtrak ridership	204,766	207,928	188,800
Barge tonnage loaded/unloaded at Missouri ports	3,686,952	3,521,671	3,800,000
Missouri Elderly and Handicapped Transportation Assistance Program – number of trips provided	4,922,574	4,516,407	4,356,938

DEPARTMENT OF TRANSPORTATION

HIGHWAY ADMINISTRATION

This section includes divisions that support the activities of the Highways and Transportation Commission, as well as the central functions of highway planning, design, right-of-way acquisition, finance, and district engineer activities.

Fiscal Year 2004 Governor's Recommendations

- \$1,933,159 state highways and transportation department fund for pay plan.
- (\$2,000,000) state highways and transportation department fund reallocation of administrative savings to the Highway Maintenance Program.

FRINGE BENEFITS

This section includes the costs of providing retirement benefits, medical and life insurance, and workers' compensation for all Department of Transportation employees that are members of the Highway Employees and Highway Patrol Retirement System.

Fiscal Year 2004 Governor's Recommendations

- \$17,974,591 for increased fringe benefit costs, including \$4,817 general revenue.
- \$610,167 federal and other funds transferred from the Office of Administration for fringe benefits related to One-Stop Motor Carrier Services staff transferred from the Departments of Revenue and Economic Development.
- \$179,744 federal and other funds transferred from the Department of Public Safety/Division of Highway Safety to consolidate highway safety functions in the Department of Transportation.
- (\$197) state transportation fund core reduction from the Fiscal Year 2003 appropriation level.

SERVICE OPERATIONS

This program consists of the General Services and Information Systems Divisions. General Services provides fleet and facilities management, graphic services, procurement, and other special services. Information Systems provides support for information technology, networks, and systems.

Fiscal Year 2004 Governor's Recommendations

- \$310,129 state highways and transportation department fund transferred from the Office of Administration for leasing expenses related to One-Stop Motor Carrier Services staff transferred from the Departments of Revenue and Economic Development.
- \$44,180 state highways and transportation department fund transferred from the Department of Public Safety/Division of Highway Safety to consolidate highway safety functions in the Department of Transportation.

DEPARTMENT OF TRANSPORTATION

HIGHWAY MAINTENANCE

This program maintains the state road system through road and shoulder rehabilitation, bridge repair and maintenance, snow and ice removal, and mowing, among other activities.

Fiscal Year 2004 Governor's Recommendations

- \$1,070,266 federal funds and 14 staff for a Motor Carrier New Entrant Safety Assurance Program.
- \$2,448 federal and other funds for pay plan.
- \$26,000,000 state highways and transportation department fund transferred from the Department of Revenue for refunds of erroneous payments or overpayments of motor fuel taxes.
- \$20,044,707 federal and other funds and 10 staff transferred from the Department of Public Safety to consolidate highway safety functions in the Department of Transportation.
- \$8,000,000 state highways and transportation department fund core reallocation from Highway Construction.
- \$3,473,434 federal and other funds and 61.55 staff transferred from the Department of Economic Development to consolidate motor carrier services in the Department of Transportation.
- \$2,000,000 state highways and transportation department fund core reallocation of administrative savings from Highway Administration.
- \$1,578,305 federal and other funds and 35.45 staff transferred from the Department of Revenue to consolidate motor carrier services in the Department of Transportation.

	FY 2002 EXPENDITURE	FY 2003 APPROPRIATION	GOVERNOR RECOMMENDS FY 2004
PERSONAL SERVICE			
Federal Funds	\$ 0	\$ 0	\$ 1,190,092
State Highways and Transportation Department Fund	113,861,951	118,943,290	122,070,198
EXPENSE AND EQUIPMENT			
Federal Funds	0	0	1,844,907
Motorcycle Safety Trust Fund	0	0	50,000
State Road Fund	97,777,418	107,265,722	116,675,404
State Highways and Transportation Department Fund	0	0	1,324,502
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	0	0	18,632,751
State Road Fund	573,409	1	590,319
State Highways and Transportation Department Fund	0	0	26,000,000
TOTAL	\$ 212,212,778	\$ 226,209,013	\$ 288,378,173
Federal Funds	0	0	21,667,750
Motorcycle Safety Trust Fund	0	0	50,000
State Road Fund	98,350,827	107,265,723	117,265,723
State Highways and Transportation Department Fund	113,861,951	118,943,290	149,394,700
Full-time equivalent employees	3,684.78	3,586.75	3,707.75

DEPARTMENT OF TRANSPORTATION

HIGHWAY CONSTRUCTION

This program includes activities such as land acquisition, letting of contracts for road and bridge construction, construction monitoring, and transportation enhancement activities.

Fiscal Year 2004 Governor's Recommendations

- \$256,000,000 state road fund to utilize bond proceeds for road and bridge projects.
- \$13,546,541 state road fund for debt service on outstanding road bonds issued by the Department of Transportation.
- \$1,300,000 state road fund for transportation enhancement projects statewide.
- \$2,670,920 state road fund available due to state highways and transportation department fund budget reductions to other state agencies.
- (\$470,168,252) state road fund core reduction from the Fiscal Year 2003 appropriation level, to accurately reflect available funding for road and bridge projects.
- (\$8,000,000) state road fund core reallocation to Highway Maintenance.

	FY 2002 EXPENDITURE	FY 2003 APPROPRIATION	GOVERNOR RECOMMENDS FY 2004
PERSONAL SERVICE			
State Highways and Transportation Department Fund	\$ 79,931,597	\$ 78,882,934	\$ 78,882,934
EXPENSE AND EQUIPMENT			
State Road Fund	1,126,838,130	1,054,136,189	888,338,561
PROGRAM SPECIFIC DISTRIBUTION			
State Road Fund	<u>113,923,523</u>	<u>230,989,506</u>	<u>192,136,343</u>
TOTAL	\$ 1,320,693,250	\$ 1,364,008,629	\$ 1,159,357,838
State Road Fund	1,240,761,653	1,285,125,695	1,080,474,904
State Highways and Transportation Department Fund	79,931,597	78,882,934	78,882,934
Full-time equivalent employees	2,066.23	1,913.00	1,913.00

**DEPARTMENT OF TRANSPORTATION
MULTIMODAL OPERATIONS AND PROGRAMS**

FINANCIAL SUMMARY

	FY 2002 EXPENDITURE	FY 2003 APPROPRIATION	GOVERNOR RECOMMENDS FY 2004
Multimodal Operations	\$ 9,699,235	\$ 10,470,352	\$ 7,317,618
Transit Programs			
Capital Assistance for Transportation of Elderly and Handicapped Citizens	1,710,037	1,600,739	2,003,255
State Aid for Transportation of Elderly, Handicapped, and Low-Income Citizens	2,844,942	2,793,805	2,793,805
Urban Transit Grants	0	3,974,641	1
Small Urban and Rural Transportation	4,104,344	5,106,574	5,828,263
Public Transit Capital Grants	6,142,527	12,000,000	12,000,000
Planning Grants	830,361	908,000	1,120,311
Railroad Programs			
Local Rail Freight Assistance Program	0	1	1
State Amtrak Assistance	6,057,000	5,000,000	8,900,000
Amtrak Station Improvements and Advertising	98,074	25,000	25,000
Light Rail Safety	0	0	1
Railroad Grade Crossing Hazards	0	0	1,500,000
Aviation Programs			
State Aid to Airports	7,198,269	4,600,000	4,600,000
Federal Aviation Assistance	9,303,951	11,000,000	11,000,000
Waterways Programs			
Port Authority Financial Assistance	412,331	239,987	150,000
TOTAL	\$ 48,401,071	\$ 57,719,099	\$ 57,238,255
PERSONAL SERVICE			
General Revenue Fund	300,810	330,945	333,427
Federal Funds	270,012	469,659	471,887
State Highways and Transportation Department Fund	143,722	162,996	162,996
State Transportation Fund	36,108	45,187	45,485
Other Funds	301,307	326,960	767,215
EXPENSE AND EQUIPMENT			
General Revenue Fund	103,039	33,082	26,006
Federal Funds	125,079	1,403,119	650,000
State Road Fund	7,107	15,000	15,000
State Transportation Fund	8,616	25,000	25,000
Other Funds	83,229	28,851	286,083
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	7,854,403	6,566,025	10,358,114
Federal Funds	22,106,538	37,673,926	32,023,331
Grade Crossing Safety Account	0	0	1,500,000
State Transportation Fund	1,527,464	1,532,420	1,557,420
Other Funds	7,416,699	5,340,340	5,250,702
FUND TRANSFERS			
General Revenue Fund	8,116,938	3,765,589	3,765,589
TOTAL	\$ 48,401,071	\$ 57,719,099	\$ 57,238,255
General Revenue Fund	16,375,190	10,695,641	14,483,136
Federal Funds	22,501,629	39,546,704	33,145,218
Grade Crossing Safety Account	0	0	1,500,000
State Road Fund	7,107	15,000	15,000
State Transportation Fund	1,572,188	1,602,607	1,627,905
State Highways and Transportation Department Fund	143,722	162,996	162,996
Other Funds	7,801,235	5,696,151	6,304,000
Full-time equivalent employees	23.70	27.00	37.00

DEPARTMENT OF TRANSPORTATION

MULTIMODAL OPERATIONS AND PROGRAMS (Continued)

MULTIMODAL OPERATIONS

The director for Multimodal Operations, supported by professional and accounting staff, is responsible for overseeing the performance of duties in the areas of transit, railroads, aviation, and waterways.

The transit section is responsible for evaluation and coordination of local applications for transit assistance, assessment of statewide transit needs, completion of local transit development studies, negotiation of service contracts for elderly and handicapped transportation, and monitoring of all contracts for compliance. In addition, the section provides training and technical assistance to special and general transportation providers as specified under the transit provisions in Chapter 53 of Title 49, United States Code.

The railroad section's duties include planning, promotion, and development of improved rail freight and passenger service in and through Missouri and retention of rail service. These measures are necessary to ensure that the rail industry remains a viable and useful component of the state's economy.

The aviation section is responsible for maintaining the state airport systems plan, which is updated annually through on-site inspections. Aviation staff also provides administrative and engineering assistance to local governments to secure available federal grants and successfully implement airport improvement plans.

Waterways personnel assist local port authorities in the promotion of waterborne transportation through the provision of technical assistance and planning grants that the port authorities utilize for managerial, engineering, legal, research, planning, promotional, and other related expenses.

Fiscal Year 2004 Governor's Recommendations

- \$7,494 for pay plan, including \$2,482 general revenue.
- \$795,702 federal and other funds and ten staff transferred from the Department of Economic Development to consolidate railroad and motor carrier services in the Department of Transportation.
- (\$3,955,930) federal and other funds core reduction from the Fiscal Year 2003 appropriation level to accurately reflect available funding for transit and revolving loan programs.

CAPITAL ASSISTANCE FOR TRANSPORTATION OF ELDERLY AND DISABLED CITIZENS

Section 5310 provides capital assistance to local not-for-profit transportation providers and public entities serving the elderly and people with disabilities. These grants require a 20 percent local match for bus, van, and related equipment purchases. The department's transit section evaluates applications from local providers and executes contracts in accordance with federal guidelines. Vehicles secured through the program are monitored by the transit section on a monthly basis with respect to the type and extent of use.

Fiscal Year 2004 Governor's Recommendations

- \$402,516 federal funds for bus, van, and related equipment purchases by local not-for-profit transit providers and public entities.

STATE AID FOR TRANSPORTATION OF ELDERLY, DISABLED, AND LOW-INCOME CITIZENS

The Missouri Elderly and Handicapped Transportation Assistance Program provides state financial assistance to help defray operating costs incurred by not-for-profit transporters of the elderly and people with disabilities. State funds are used to supplement local, private, and federal funds available to these transit operators.

Fiscal Year 2004 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF TRANSPORTATION

MULTIMODAL OPERATIONS AND PROGRAMS (Continued)

URBAN TRANSIT GRANTS

Section 5307 provides capital assistance and operating subsidies for public transportation systems in cities of 50,000 to 200,000 population. The cities of Columbia, Springfield, St. Joseph, and Joplin are eligible for grants under this program. Funds may be used to pay up to 80 percent of eligible capital expenses such as vehicle and equipment purchases, as well as to offset up to 50 percent of operating losses. The department's transit section is responsible for certification of local transit planning processes, processing applications for assistance, and monitoring funds under contract in this program.

Fiscal Year 2004 Governor's Recommendations

- (\$3,974,640) federal funds core reduction from the Fiscal Year 2003 appropriation level.

SMALL URBAN AND RURAL TRANSPORTATION DEVELOPMENT

Federal funds authorized under Section 5311 may be used to assist small urban and rural areas under 50,000 population to acquire capital equipment and finance the operation of public transit programs. An 80 percent federal match is available for capital acquisitions, while a 50 percent federal match is available for operating losses and administrative expenses.

Fiscal Year 2004 Governor's Recommendations

- \$721,689 federal funds for operating assistance for non-urbanized areas and small city transit systems.

PUBLIC TRANSIT CAPITAL GRANTS

Section 5309 provides federal financial assistance for the purchase of capital items. The Federal Transit Administrator approves all grant applications and establishes the match ratio. Applicants are responsible for providing the local share.

Fiscal Year 2004 Governor's Recommendations

Continue funding at the current level.

PLANNING GRANTS

Section 5303 provides federal financial assistance for metropolitan transit planning activities in six metropolitan areas – St. Louis, Kansas City, Springfield, Columbia, St. Joseph, and Joplin. Each metropolitan area is required to provide a 20 percent local share to match the 80 percent federal share. This program supports demographic forecasting, corridor studies, transit service analysis, route and schedule evaluation, financial capacity analysis, special needs investigations, and transit management studies.

Fiscal Year 2004 Governor's Recommendations

- \$212,311 federal funds for financial assistance for metropolitan transit planning activities.

LOCAL RAIL FREIGHT ASSISTANCE PROGRAM

Federal financial assistance is provided for acquisition, rehabilitation, improvement, or rail facility construction assistance through Section 5 of the Department of Transportation Act.

Fiscal Year 2004 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF TRANSPORTATION

MULTIMODAL OPERATIONS AND PROGRAMS (Continued)

STATE AMTRAK ASSISTANCE/AMTRAK STATION IMPROVEMENTS AND ADVERTISING

Missouri participates in the federal Amtrak program, which requires the state to pay a portion of the operating losses for the “St. Louis – Kansas City Mule” and “Ann Rutledge” train service. Program costs depend upon revenues received from ridership and actual operating costs. The state also provides funding for an Amtrak advertising and station improvement program.

Fiscal Year 2004 Governor’s Recommendations

- \$3,900,000 to continue Amtrak twice-daily service across the state, including \$3,875,000 general revenue.

LIGHT RAIL SAFETY

In the event of a light rail accident, state staff is responsible for investigating the accident. The light rail operators then reimburse the state for services provided.

Fiscal Year 2004 Governor’s Recommendations

- \$15,000 light rail safety fund transferred from the Department of Economic Development.
- (\$14,999) light rail safety fund core reduction from the Fiscal Year 2003 appropriation level.

RAILROAD GRADE CROSSING SAFETY

This program provides resources to complete projects improving the safety of railroad grade crossings, such as adding gates or increasing signage.

Fiscal Year 2004 Governor’s Recommendations

- \$1,500,000 grade crossing safety fund for railroad grade crossing gates and hazard improvement projects.

STATE AID TO AIRPORTS/FEDERAL AVIATION ASSISTANCE

Section 305.230, RSMo, provides for an aviation trust fund to be used for providing matching grants to public airports for capital improvements; preventive maintenance of runways, taxiways, and aprons; and for emergency repairs on safety-related items. Aviation trust fund moneys may also be used for printing and distribution of state aeronautical charts and state airport directories.

Fiscal Year 2004 Governor’s Recommendations

Continue funding at the current level.

STATE AID TO PORT AUTHORITIES

State aid is currently available to local port authorities for administration, planning, and development activities such as financial and engineering studies. Port authorities currently active and receiving assistance are the Howard/Cooper County Regional Port Authority, Jefferson County Port Authority, Pemiscot County Port Authority, Southeast Missouri Regional Port Authority, Mississippi County Port Authority, New Madrid County Port Authority, New Bourbon Port Authority, St. Joseph Regional Port Authority, Lewis County-Canton Missouri Port Authority, and the Ports of Kansas City, St. Louis, and St. Louis City.

Fiscal Year 2004 Governor’s Recommendations

- (\$89,987) core reduction from the Fiscal Year 2003 appropriation level.